interest upon loans whether public or private, and dividends on joint stock companies or sleeping partnerships." He added that in his opinion earned income above a certain figure might reasonably be added to this category on the ground that it has, in some instances, very much the same characteristics as unearned: the income of a "successful professional man or clown or jockey or opera star" being due to peculiar qualities; " and it would be no great hardship if earned income above, say, a thousand a year for a married couple, with an additional three hundred for every child under twenty-five years of age were regarded as unearned, and taxed accordingly.[1]' Income was thus the basis of Mr H care's scheme. Rente he regards as an agency regulating distribution, and requiring to be constantly checked. " It is/' he says, " an elementary principle of social health and economic prosperity that the share of the national wealth enjoyed by the Rentier, by the owner, that is, of unearned income, should not be excessive/' Most people who can follow his admirable example and take a detached and unbiassed view of questions which affect their pocket so closely, will agree with Mm *in* this opinion. The Rentier lives on the proceeds of work done in the past by him or by some other person; and it is not good for our economic health that he should grow too fat at the

expense of those who are working now, lest the latter be discouraged and work with less spirit.

At the same time we have to remember that the work done in the past by the Rentier or those whom

p